

**AGREEMENT ON ESTABLISHING
THE CENTER OF EXCELLENCE IN FINANCE
(CEF)**

The Contracting Parties to this Agreement,

Whereas

Recognizing the vital importance of the need for public financial reforms and sound central banking in South Eastern Europe and other countries;

Being aware of the need to promote international standards in public financial management, central banking and other areas of public administration;

Sharing the need to further extend cooperation in public financial management and central banking;

Desiring to develop knowledge exchange, capacity development and technical assistance among the countries of South Eastern Europe and other countries and international institutions and organizations;

Acknowledging the importance of mutual cooperation on the basis of the principles of equal rights, state sovereignty, territorial integrity, good faith and good neighborhood relations;

Wishing to enhance their common goals by the establishment of an organization on the basis of a multilateral agreement open to the countries of South Eastern Europe and other countries, as well as international institutions and organizations;

Responding to the invitation of the Republic of Slovenia to host such organization in Ljubljana, Slovenia and agreeing to extend the Privileges and Immunities as set hereinafter in the territory of all Contracting Parties;

HAVE AGREED that the CEF shall be organized and shall operate in accordance with the following provisions:

GENERAL PROVISIONS

Article 1 Definitions

For the purposes of this Agreement, the terms used herein shall have the following meaning:

“CEF” means the Center of Excellence in Finance.

“Members of the Governing Board” means the Ministers of Finance and Governors of Central Banks or heads of other relevant institutions or their nominated representatives.

“Official activities” means the provision of training, professional and technical assistance, and facilitation of networks for the purpose of implementing reforms in public financial management and central banking.

“Director” means the Director of the CEF.

“Staff” means any employee of the CEF.

“Expert” means any person contracted by the CEF for a short term (up to twelve months) to deliver requested services.

“Representatives of the CEF Members” means members of delegations participating in meetings convened by the CEF;

“Meeting convened by the CEF” means any meeting of any CEF organ or a subsidiary body or any conference convened by the CEF.

“Property” means all income of the CEF and all property, including funds, assets and other properties that belong to the CEF, either owned or held/administered by the CEF, in accordance with the official duties performed by the CEF;

“Premises” means the buildings or parts of buildings including the land ancillary thereto, used only for the purposes of the CEF, irrespective of ownership;

“Archives” means all records, correspondence, documents, manuscripts, computer and media data, photographs, films, video, sound recordings and any other data, belonging to or held by the CEF.

“Family members” means spouses and common-law partners of the Staff, unmarried dependent children of the Staff up to 18 years of age, or up to 26 years of age if enrolled as full-time students at post-secondary educational institutions, and unmarried dependent children of the Staff who are physically or mentally disabled.

“Host country” means the country where the headquarters of CEF is located.

Any reference to a person of the male sex shall be deemed also to constitute a reference to a person of the female sex, and viceversa.

Article 2 Establishment and Status

The CEF shall possess international legal personality.

Article 3 Purpose and Activities

1. Purpose of the CEF shall be to promote knowledge exchange, deliver training and facilitate technical assistance in public financial management, central banking and other areas of public administration.
2. The CEF shall deliver its activities through focused and practically oriented tailor made and demand driven training and technical assistance, promotion of cooperation in the region, including maintenance of platforms for peer learning and facilitation of communities of practice, establishment of new partnerships, exchange of experience and similar to tackle specific challenges of its member states.
3. The CEF, acting as a facilitator and catalyst, providing experience for practical applications and policies, offering support on all matters relating to public financial management and central banking, helping countries to benefit from the efficient development and transfer of knowledge and best practices, the CEF performs the following activities, in particular for the benefit of CEF Members:
 - a) assist in the implementation of public financial management reforms and the strengthening of central banking through tailor-made activities;
 - b) initiate discussion and ensure interaction with other governmental and nongovernmental organizations to support the creation of an enabling environment for effective public finance management and central banking;
 - c) provide access to the latest knowledge and practical experience in public financial management and central banking whilst providing support to its members in developing individual solutions;
 - d) improve knowledge and technology transfer and promote the development of local capacity and competence in CEF Members including necessary interconnections;
 - e) offer capacity building through certified programs of training and education;
 - f) serve as a meeting point for the sharing of know-how and the exchange of experience gained in the reforms process;
 - g) perform and encourage research to respond to the regional capacity development needs;

- h) provide opportunities for the region's officials of CEF Members to study the implementation of international standards, best practices and trends, all under the guidance of highly qualified international experts;
- i) other activities as set by the Governing Board.

Article 4
Legal Capacity

The CEF shall possess such legal capacity as is necessary for the exercise of its functions, including the capacity to contract, to acquire and to dispose movable and immovable property, enter into and respond to legal proceedings and take such other actions as may be necessary or useful for its purposes and activities.

Article 5
Cooperative Relationship

The CEF shall endeavor to establish mutually beneficial relationships with any existing institution and organization in order to avoid unnecessary duplication of work.

MEMBERS

Article 6
Membership

1. Membership is open to any State and international organization willing and be able to act in accordance with the purposes and activities laid down in this Agreement.
2. Such State and international organization shall become:
 - a) a founding CEF Member by having signed this Agreement and having deposited an instrument of ratification;
 - b) other CEF Members by depositing an instrument of accession after their application for membership has been approved.

Article 7
Admission

1. CEF is open to admission to any state and international organization which has particular interest in promotion of knowledge exchange, delivery of training and facilitation of technical assistance in public financial management, central banking and other areas of public administration in CEF Members and which applies for membership, agrees with purposes and activities of the CEF as set forth in this Agreement, and satisfies criteria established by the Governing Board.
2. Applications for membership shall be submitted to the Governing Board for consideration and approval. Once the approval is obtained the applicant State or international organization shall be invited by the Governing Board to accede to this Agreement pursuant to paragraph 3 of the Article 27.

ORGANIZATION

Article 8
Organizational structure

1. The CEF operates in a flexible manner. It shall have the following principal bodies:
 - a) Governing Board;
 - b) Advisory Board;
 - c) Secretariat.
2. The Governing Board may establish such subsidiary bodies as it finds necessary for the exercise of its functions in accordance with this Agreement.

Article 9
Governing Board

1. Each CEF Member, which is a state, shall have up to two Members in the Governing Board and each one alternate to act on their behalf when they are unable to serve. Members of the Governing Board are Ministers of Finance and/or Governors of Central Banks or heads of other relevant institutions.
2. Each CEF Member, which is an international organization, shall have one Member in the Governing Board and one alternate to act on his behalf when he is unable to serve. Member of the Governing Board is the head of the international organization or its nominated representative.

3. Members of the Governing Board are also up to three representatives of the Advisory Board who serve as Members of the Governing Board for a period of three years.
4. The Director shall be a Member of the Governing Board (as ex-officio member) without voting powers.
5. The Governing Board shall:
 - a) supervise the activities of the CEF;
 - b) approve the annual work program and annual budget;
 - c) discharge the business report and financial statements;
 - d) appoint a Director and an External Auditor of the CEF;
 - e) approve the amendments of this Agreement;
 - f) authorize the Director to negotiate international agreements and contracts;
 - g) approve the conclusion of international agreements and contracts;
 - h) establish criteria for admission of states and international organizations to the CEF;
 - i) consider and approve the application for membership;
 - j) adopt the Financial Rules and Regulations, the Rules of Procedure and the Rules of Employment with the aim to specify the performance of all its bodies and other internal rules.
6. Each Member of the Governing Board shall have one vote. Voting rules shall be specified in the Rules of Procedure to be adopted unanimously by the Governing Board.
7. Meetings of the Governing Board shall be called at least once each calendar year. In addition, a meeting may also be requested by any CEF Member, in accordance with the Rules of Procedure.

Article 10 Advisory Board

1. The Advisory Board shall assist in designing and in coordinating the delivery of activities of the CEF.
2. The membership of the Advisory Board is upon their request or the invitation by the CEF open to donors active in the region and other institutions collaborating with the CEF.
3. The Advisory Board shall meet at least once each calendar year. In addition, a meeting may also be requested by any member.
4. The Advisory Board shall every three years among themselves select up to three representatives to represent the Advisory Board in the Governing Board.
5. Each year representatives of the Advisory Board to the Governing Board among themselves select a Chair person.

Article 11
Secretariat

1. The Secretariat shall be composed of Director, Staff and Experts.
2. The Governing Board shall appoint the Director for a term of five years. Selection Process shall be defined in the Rules of Procedure.
3. The Director shall be accountable to the Governing Board with respect to the performance of his or her tasks. The Director shall receive instructions only from the Governing Board.
4. The Director shall:
 - a) ensure proper, regular and efficient functioning of the CEF;
 - b) act on behalf of the CEF, including signing the Headquarters Agreement, other international agreements and contracts necessary for functioning of CEF;
 - c) report to the Governing Board;
 - d) submit to the Governing Board a draft annual work program, budget proposal and report on their implementation;
 - e) report to the Governing Board on any other matters on the functioning of the CEF as the Governing Board may require.
5. The Rules of Employment shall contain principles and procedures governing the selection of personnel, their employment and description of jobs to achieve effective functioning of the Secretariat for the purposes of this Agreement.

PRIVILEGES AND IMMUNITIES

Article 12
Immunity from Legal Process

1. The CEF and its property, wherever located and by whomsoever held, shall enjoy immunity from every form of legal process except insofar as in any particular case, the Governing Board, by its decision, has authorized the waiver of this immunity.
2. Without prejudice to the previous paragraph, the CEF shall not enjoy immunity in respect of:
 - a) a civil action based on a contractual obligation of the CEF;
 - b) a counter-claim directly connected to proceedings instituted by the CEF;
 - c) a civil action related to pecuniary compensation for death or injury of the person, or damage to or loss of tangible property, caused by an act or omission which is alleged to be attributable to the CEF.

3. No such waiver of immunity shall extend to any measure of execution, for which a separate waiver shall be necessary.

Article 13
Inviolability

1. The premises of the CEF shall be inviolable.
2. The property of the CEF, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of interference, whether by executive, administrative, judicial or legislative action.
3. The archives of the CEF and more generally all documents belonging to it or held by it shall be inviolable wherever located and by whomsoever held.

Article 14
Facilities and Immunities in Respect of Communications and Publications

1. The CEF shall communicate freely and without the need for special permission, for all official purposes, and CEF Members shall protect the right of the CEF to do so.
2. The CEF shall enjoy, for its official communications, treatment not less favorable than that accorded by the CEF Members to the diplomatic missions of any state.
3. All official communications directed to the CEF and all outward official communications of the CEF, by whatever means or whatever form transmitted shall be inviolable.

Article 15
Exemptions

1. Within the scope of its official activities, the CEF and its property shall be exempt from:
 - a) customs duties, on the import or export of goods for official usage, provided that the goods imported are not to be sold or otherwise disposed of in the territory of the CEF Member concerned, except under conditions approved by that CEF Member;
 - b) customs duties, on the import or export of publications for official purposes;
 - c) indirect taxation on the supply of goods and services, provided for official use, under the same conditions as are applied to diplomatic missions in the territory of the CEF Member concerned.

2. The exemptions provided for in paragraph 1 c of this Article may be granted by way of direct exemption or by way of a refund of the tax paid under the same procedures as are applied to diplomatic missions in the territory of the CEF Member concerned.

Article 16

Freedom of Financial Assets from Restrictions

Without being subject to any financial controls or moratoria of any kind, the CEF may, within the territory of the CEF Members, freely:

- a) purchase any currencies through authorized channels and hold and dispose of them; and
- b) operate accounts in any currency.

Article 17

Flag, emblem and markings

CEF may display its flag, logo and other designations, adopted by the Governing Board of CEF, in its premises and on the motor vehicles used for official purposes.

Article 18

Privileges and Immunities of Members of the Governing Board and Representatives of the CEF Members

Members of the Governing Board and Representatives of the CEF Members, while exercising their mission at CEF and during their journey to and from the place of the meetings convened by the CEF, shall enjoy the following privileges and immunities:

- a) be immune from legal process, even after termination of their duties at the CEF, in respect of words spoken or written and all acts performed by them in their official capacity and within the limit of their authority;
- b) inviolability of official documentation, data and other official material in their possession.

Article 19

Privileges and Immunities of the Director

1. The Director shall:

- a) be immune from personal arrest and detention for acts performed in his official capacity;
- b) be immune from seizure of his personal baggage;
- c) be immune from legal process, even after termination of his duties at the CEF, in respect of words spoken or written and all acts performed by him in his official capacity and within the limit of his authority;

- d) be exempt from taxation on the salaries paid to him by the CEF;
- e) be given, together with his family members the same repatriation facilities in time of international crisis as accorded to heads of diplomatic missions;
- f) not be obliged to give evidence as a witness in connection to their official tasks;
- g) enjoy inviolability of all papers, documents and other official material related to the CEF.

The privileges and immunities of the Director set forth in paragraph 1 of this Article, points d) and e), shall not apply vis-a-vis the CEF Member of which the individual is a national or permanent resident.

Article 20

Privileges and Immunities of the Staff

1. The Staff shall:
 - a) be immune from legal process, even after termination of their duties at the CEF, in respect of words spoken or written and all acts performed by them in their official capacity and within the limit of their authority;
 - b) be exempt from taxation on the salaries paid to them by the CEF;
 - c) be given, together with their family members the same repatriation facilities in time of international crisis as accorded to administrative-technical staff of diplomatic missions;
 - d) enjoy inviolability of all papers, documents and other official material related to the CEF.
2. The privileges and immunities of the Staff set forth in paragraph 1 of this Article, points b) and c), shall not apply vis-a-vis the CEF Member of which the individual is a national or permanent resident.

Article 21

Duration of Privileges and Immunities

1. In the territory of Contracting Parties, each person entitled to privileges and immunities in accordance with Articles 18, 19, 20 and 22, shall enjoy the privileges and immunities from the moment he assumes his position at the CEF, or if this had not been done in advance, from the moment when the take up of his post was notified to the competent authorities of the Host Country.
2. When the functions of these persons come to an end, privileges and immunities they enjoy in the territory of Contracting Parties shall normally cease at the moment when they leave the CEF Member, or on expiry of a reasonable period in which to do so. However, with respect to the acts done by those persons in the exercise of their functions, immunity shall continue to subsist.

3. The Director, Staff and their family members are entitled to appropriate identity cards, issued by the competent authority of the Host Country, which together with their national personal or travel documents prove their identity and special status.

Article 22 Waiver of Immunities

1. Privileges and immunities in this Agreement are accorded not for the personal benefit of individuals themselves, but in order to safeguard the independent exercise of their functions in connection with the CEF for the period of their official capacity.
2. It is the duty of all persons enjoying such privileges and immunities in accordance with this Agreement to respect the laws and regulations of the host country and other Contracting Parties.
3. Competence of waiving immunity shall be as follows:
 - a) in respect of Members of the Governing Board and Representatives of the Member States the waiving of immunity shall be within the competence of the CEF Member which appoints them. Such CEF Member shall have the right and duty to waive the immunity in cases where, in its opinion, the immunity would impede the course of justice and would not prejudice the purposes for which the immunity is accorded;
 - b) in respect of the Director, the Governing Board shall have the right and duty to waive the immunity where the immunity would impede the course of justice and can be waived without prejudice to the interests of the CEF;
 - c) in respect of a member of the Staff, the Director shall have the right and duty to waive the immunity where the immunity would impede the course of justice and can be waived without prejudice to the interests of the CEF.
4. No such waiver of immunity shall extend to any measure of execution, for which a separate waiver shall be necessary.
5. The CEF shall cooperate at all times with the competent authorities of the CEF Members in order to facilitate the proper administration of justice and shall prevent any abuse of the privileges and immunities granted under the provisions of this Agreement.

Article 23 Financial Resources

1. Financial resources of the CEF shall include the following:
 - a) In-kind contribution in the form of office space to be used by the CEF for the performance of its activities, made available, by the host country in accordance with Headquarters Agreement;

- b) A financial contribution from the host country to finance CEF operations in a reasonable amount;
 - c) Voluntary contributions by donors;
 - d) Income accruing from such contributions;
 - e) Revenue from operations;
 - f) Other sources of income.
2. The fiscal year of the CEF shall be the calendar year.
 3. Each year, the Director shall prepare and submit to the Governing Board, for its discharge, a business report containing the audited statement of the CEF's accounts and a summary of the activities of the CEF. Annual audit shall be conducted by an independent External Auditor of the CEF appointed by the Governing Board.
 4. Financial Rules and Regulations shall be adopted by the Governing Board.

Article 24
Transitional provisions

All rights, obligations and property belonging to the Regionalna ustanova - Center za razvoj financ shall be transferred to the CEF on the date when this Agreement enters into force.

Article 25
Reservations

No reservations may be made to this Agreement.

Article 26
Headquarters and Official Language

1. The Headquarters of the CEF shall be located in Ljubljana, Slovenia, under such terms and conditions as agreed between the CEF and the Republic of Slovenia.
2. The CEF may establish facilities in other locations as required to support its activities, maximize outcomes, and increase its efficiency. The terms and conditions of setting up of any such facilities shall be agreed between the CEF and the respective host country prior to their establishment.
3. The official language of the CEF shall be English.

FINAL PROVISIONS

Article 27

Signature, Ratification, Acceptance, Approval and Accession

1. This Agreement shall be open for signature to any state and international organization until the date this Agreement enters into force.
2. This Agreement is subject to ratification, acceptance or approval by the signatory states and international organizations in accordance with their respective legal requirements.
3. This Agreement shall be open for accession for states and international organizations having not signed this Agreement after their application for membership has been approved.
4. Instruments of ratification, acceptance, approval or accession shall be deposited with the Depositary.

Article 28

Entry into force

1. This Agreement shall enter into force on the thirtieth day after the date of deposit of the third instrument of ratification with the Depositary.
2. For each state or international organization which ratifies or accedes to this Agreement after the date of its entry into force, as is provided in paragraph 1, this Agreement shall enter into force on the date of the deposit of its respective instruments.

Article 29

Amendments

1. Amendments to this Agreement may be proposed by any CEF Member. Certified copies of the text of any amendment proposed shall be prepared by the Director and communicated by him to all Members at least ninety days in advance of its consideration by the Governing Board.
2. Amendments shall enter into force for all CEF Members:
 - a) when approved by the Governing Board after consideration of observations submitted by the Director on each proposed amendment; and
 - b) after all the CEF Members have consented to be bound by the amendment in accordance with their respective constitutional processes. CEF Members shall express their consent to be bound by depositing a corresponding instrument with the Depositary.

Article 30
Withdrawal and Termination

1. This Agreement may be terminated by mutual agreement of the CEF Members.
2. Any CEF Member may withdraw from this Agreement by giving a written notice to the Depositary of this Agreement, who shall immediately communicate it to the other CEF Members.
3. Such notice of withdrawal shall take effect half a year after the date of its receipt by the Depositary, unless such notice is withdrawn beforehand or the CEF Members mutually agree otherwise.
4. Unless all remaining CEF Members agree otherwise, a withdrawal as referred to in paragraph 2 of this Article shall not release the notifying CEF Member from any of its commitments concerning programs, projects, and studies begun under this Agreement.
5. In case of termination of this agreement the CEF will endeavor, to the extent possible, to complete the ongoing projects. After completion of such activities the net property of the CEF shall be transferred to the Government of Slovenia.

Article 31
Settlement of Disputes

Any dispute arising between the CEF and any CEF Member or between any CEF Members shall be settled by negotiations or other agreed means of peaceful settlement.

Article 32
Depositary

1. The Government of the Republic of Slovenia shall act as Depositary.
2. The Depositary shall, upon entry into force of this Agreement, ensure its registration in accordance with Article 102 of the Charter of the United Nations.
3. The original of this Agreement in a single copy in the English language shall be deposited with the Depositary which shall transmit a certified copy to each CEF Member.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this Agreement.

Done at Bled on Bird September 2013.

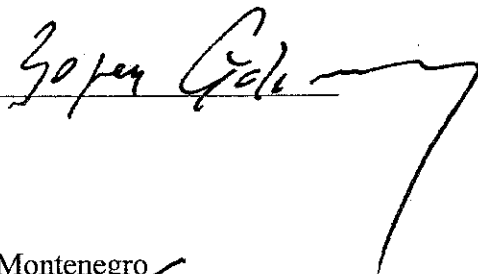
For the Republic of Bulgaria



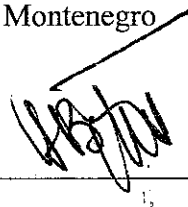
For the Republic of Croatia



For the Republic of Macedonia



For Montenegro

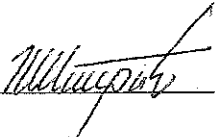


For the Republic of Slovenia



For Bosnia and Herzegovina

Date



27.11.2013.

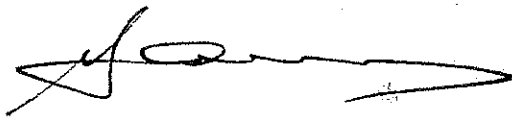
For the Republic of Moldova

Joshua

Date

11 December 2013

For Romania



A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke, positioned above a horizontal line.

Date

30.05.2014.

I hereby certify that this is a true copy of the Agreement on Establishing the Center of Excellence in Finance (CEF), done at Bled, on 3 September 2013, the original of which is deposited in the archives of the Ministry of Foreign Affairs of the Republic of Slovenia.

Ljubljana, 03.06.2014



Mihael Zupančič

Head of International Law Department
Ministry of Foreign Affairs
of the Republic of Slovenia

